Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Message Text

CONFIDENTIAL

PAGE 01 QUITO 06679 091604Z

61
ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

TRSE-00 OMB-01 EB-07 COME-00 FEA-01 INT-05 /076 W
---------- 026590
R 091504Z SEP 75
FM AMEMBASSY QUITO
TO SECSTATE WASHDC 7135
INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 6679

E.O. 11652: GDS
TAGS: PINT, PFOR, EC
SUBJ: NEW MINISTERS OF NATURAL RESOURCES AND FINANCE SEND UP
SOOTHING SMOKE SIGNALS

REF: QUITO 6652

1. THE NEW CABINET WAS SWORN IN SEPTEMBER 8 AT 6:00 P.M. TWO OF ITS MOST IMPORTANT MEMBERS, MINISTER OF FINANCE MORILLO AND MINISTER OF NATURAL RESOURCES DUENAS, IMMEDIATELY SENT UP SMOKE SIGNALS WHICH OUGHT TO REASSURE BUSINESS AND COMMERCIAL CIRCLES.

2. MORILLO IS QUOTED IN THE QUITO SEPTEMBER 9 PRESS AS SAYING THAT A STUDY WILL BE MADE OF DECREE 738 WHICH IMPOSED HEAVY DUTIES ON IMPORTS AND "IF NECESSARY MODIFICATIONS WILL BE INTRODUCED". HE IS FURTHER QUOTED AS SAYING THAT FROM THE PSYCHOLOGICAL AND POLITICAL POINT OF VIEW THE DECREE HAD THE EFFECT OF INCREASING PRICES, SOMETHING WHICH HIS PREDECESSOR HAD ADAMANTLY DENIED. FURTHER, HE OFFERED TO SEEK A DIALOG WITH THE PRIVATE SECTOR AND TO "FAVOR PRODUCTIVE ACTIVITIES".

3. MINISTER DUENAS, WHILE DECLINING TO REVEAL THE PRICE POLICY WHICH ECUADOR WOULD FOLLOW AT THE NEXT MEETING OF OPEC, SAID THAT NEVERTHELESS HE WOULD OBTAIN PREFERENTIAL TREATMENT FOR ECUADOREAN CRUDE. THIS CAN ONLY MEAN THAT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 QUITO 06679 091604Z

ECUADOR WILL PRICE ITS CRUDE BELOW THAT OF ITS

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

COMPETITORS IN ORDER TO PLACE IT. DUENAS ALSO SAID THAT
IT WAS NECESSARY TO INTENSIFY PETROLEUM EXPLORATION IN
THE COUNTRY.

4. WE SHALL SEE.
BREWSTER

CONFIDENTIAL

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CABINET, FINANCE, NATURAL RESOURCES, MINISTERS (DIPLOMATS), PERSONNEL APPOINTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975QUITO06679
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750311-1155
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750970/aaaacjyg.tel
Line Count: 67
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 QUITO 6652
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 09 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 SEP 2003 by SmithRJ>; APPROVED <12 NOV 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NEW MINISTERS OF NATURAL RESOURCES AND FINANCE SEND UP SOOTHING SMOKE SIGNALS
TAGS: PINT, PFOR, EC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006